GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5255
ANSWERED ON:22.12.2000
RULES AND REGULATIONS FOR MULTINATIONAL COMPANIES
DALPAT SINGH PARASTE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there are certain specific rules and regulations governing the activities of multinational companies in India;

(b) if so, the details thereof;

(c) whether the Government have come across certain illegal business activities of such companies, jeopardising the national economy; and

(d) if so, the names of such companies alongwith the action taken against them?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a) & (b) MNCs are treated at par with Indian companies after they are incorporated in India under the Companies Act, 1956 and all laws of the land are applicable to them.

(c) & (d) Any illegal activity indulged in by any companies would render the company liable for action under the applicable legal provisions.